

**CONFIDENTIAL**

**\*OGC Has Reviewed\***

**JUL 12 1951**

MEMORANDUM FOR: Assistant Director for  
Administrative Management  
Bureau of the Budget

ATTENTION: Mr. William F. Finan

SUBJECT: Administrative Support -  
Psychological Strategy Board

1. In accordance with discussions in your office, we have been proceeding with the arrangements for the administrative and fiscal support of the Psychological Strategy Board.

2. The initial step is to provide for the payment of salary for the Director, Mr. [REDACTED] <sup>25X1A</sup> Apparently only this Agency has statutory power to make the necessary payments. Inasmuch as [REDACTED] will not be an employee of CIA as such, I feel that CIA should be under instructions from the White House to authorize such payments. I have therefore drafted the attached letter which has been concurred in by Mr. [REDACTED]

3. In my opinion, it would have been preferable to have the President's signature, but we understand that he will issue a commission to [REDACTED] and we do not wish to add further paper work if it can be avoided. In lieu thereof, I feel this letter should have the signature of someone on the President's staff such as Mr. Donald Dawson, who can speak authoritatively for the President. In this respect, while I realize you may wish to alter the wording of my draft, I feel it is important to keep that portion of the second paragraph starting "In accordance with the President's instructions" to the end of the paragraph should be kept substantially as now drafted.

4. Upon return of this letter with appropriate signature, we can proceed with the necessary personnel actions and begin payment of compensation.

25X1A

LAWRENCE R. HOUSTON  
General Counsel

OGC/LRH:mls

25X1

Approved

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2 - Signer

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